



Department of Commerce Safety and Health Committee Meeting September 21, 2005



Agenda

Welcome and Introductions

Fred Fanning

Opening Comments

Otto Wolff

Safety and Health Program Update

Fred Fanning

Workers' Compensation Program

Adrienne Ross

Discussion

Fred Fanning

Closing Comments

Otto Wolff

Adjourn

Fred Fanning



Opening Comments

Otto Wolff Designated Agency Safety and Health Official



Safety and Health Program Status

Fred Fanning Handout



Workers' Compensation Program

Adrienne Ross Workers Compensation



Workers' Compensation Program

- Program was centralized at the Department level.
- No worker's compensation personnel are at the bureaus.
- Outsourced short term workers' compensation claims October 1, 2002.
- Program is currently under the direction of the Office of Occupational Safety and Health (OOSH).
- In October 2004, the contract was amended to added 74 long-term claims.
- Program is managed by two employees of OOSH and a contractor.



Office of Occupational Safety and Health

- Monitors 350 long term claims that consist of periodic roll claims and ongoing survivor payments.
- Processes and monitors all the death claims.
- Provides oversight of the contractor.
 - By reviewing claims processed.
 - Annual on-site visit.
 - Annual contractor visits to DOC.



Program Contractor, CCSI, Inc

- Contract:
 - Is firm fixed price for services.
 - Base period is from October 2002 through September 2003.
 - Includes four one-year options.
- Cost is \$500K per year for up to 1600 new cases.
- Cases over maximum are charged by case.



Contract Claims Services, Inc

- Processes and manages 650 – 700 new claims each year.
- Provides reports on claims filed, claim status, and information regarding timeliness and types of injuries by bureau.
- Ensures that claims are processed according to specific procedures, on time, and tracked by an automated system.
- Sends claims and documents to the Department of Labor, Office of Workers' Compensation Programs (OWCP) for action.



Contract Amendment

- In October 2004, the contract was amended to add 74 long-term claims.
- An analysis was done to identify claims that had the potential to be removed from the rolls.
- This amendment is performance based and costs \$50K per year.
- Target is to return to work as many of the claimants as possible.
- Contractor provides a status report within 90 days of receiving the claim and every 120 days thereafter.



Payment Process

- Department of Labor bills Department of Commerce.
- OHRM and Office of Budget prepare bills for bureaus.
- Billed to the bureau level.
- Bureaus pay by either working capital or appropriated funds.



Claims Filed

<i>07/01/2000 - 06/30/2001</i>	<i>1448**</i>
<i>07/01/2001 - 06/30/2002</i>	<i>668</i>
<i>07/01/2002 - 06/30/2003</i>	<i>738</i>
<i>07/01/2003 - 06/30/2004</i>	<i>641</i>
<i>07/01/2004 - 06/30/2005</i>	<i>698</i>

**** Higher numbers were a result of 2000 Decennial Census.**



Chargeback Costs

<i>07/01/2000 - 06/30/2001</i>	<i>\$21,572,518</i>
<i>07/01/2001 - 06/30/2002</i>	<i>\$15,640,257</i>
<i>*07/01/2002 - 06/30/2003</i>	<i>\$15,803,382</i>
<i>07/01/2003 - 06/30/2004</i>	<i>\$13,915,618</i>
<i>07/01/2004 - 06/30/2005</i>	<i>\$14,493,452</i>

**Contractor started October 2002.*

Charges for July 04 - Jun 05 Slide 1 of 2

Organization	Medical Cost	Compensation	Total
OS	\$44,127	\$321,440	\$365,567
Office of Inspector General	\$24,991	\$147,414	\$172,405
Bureau of Census (Total)	\$1,821,811	\$3,771,741	\$5,593,552
- 1990 Census	\$258,518	\$402,963	\$661,481
- 2000 Census	\$619,267	\$1,484,473	\$2,103,740
Bureau of Economic Analysis	\$825	\$0	\$825
Bureau of Industry and Security	\$66,669	\$46,272	\$115,941
Economic Development Administration	\$8,974	\$102,131	\$111,105

Charges for July 04 - Jun 05 Slide 2 of 2

Organization	Medical Cost	Compensation	Total
International Trade Administration	\$73,996	\$658,535	\$732,531
Minority Business Development Agency	\$31,850	\$205,885	\$237,735
National Institute of Standards and Technology	\$222,107	\$676,749	\$898,856
National Oceanic and Atmospheric Administration	\$2,068,999	\$3,388,686	\$5,457,685
National Technical Information Service	\$6,722	\$42,874	\$49,596
National Telecommunications and Information Administration	\$5,870	\$174,072	\$179,942

OS Charges for July 04 - Jun 05

Organization	Medical Cost	Compensation	Total
OS	\$0.00	\$85,868.96	\$85, 868.96
OSY	\$33,597.85	\$65,934.05	\$99,531.90
OAS	\$5,640.22	\$112,680.86	\$118,321.08
OHRM	\$459.12	\$0.00	\$459.12
OFM	\$2,800.00	\$0.00	\$2,800.00
Coastal Plains Regional Commission	\$1,030.00	\$53,601.36	\$54,631.36
ITA	\$0.00	\$3,354.54	\$3,354.54
Unknown Bureau	\$600.00	\$0.00	\$600.00



NOAA Line Offices

NOS - National Ocean Service.

NMFS - National Marine Fisheries Service.

NWS - National Weather Service.

OAR - Oceanic and Atmospheric Research.

NESDIS - National Environmental Satellite, Data, and Info Services.

NMAO - NOAA Marine and Aviation Operations.

NOAA Staff Offices - All corporate level offices, including PPI, USAO, CIO, CFO, CAO, etc. National Oceanic Services.



Department Liabilities

- Periodic Roll Claims – Only receive limited access to medical information on employees to determine if they can return to work.
- Death Claims - Put system in place to periodically check on spouses entitlement.
- Medical Care Only Claims – Need to use second opinion.
- Other Claims:
 - Need to put system in place to investigate frequent filers.
 - Need to put system in place to track frequent movers.



Major Program Weaknesses

- No means to provide accurate charge back data to bureaus.
- New privacy act laws restricts compensation forms.
- Supervisors have not received recent training.
- No real investigative program for fraud.
- No assertive program to question claims.
- Little or no light duty return to work program within the Department.



Initiatives Slide 1 of 2

- New return to work procedures. Director, Office of Occupational Safety and Health will meet with the bureau Principal Human Resources Manager, Supervisor, and Budget Officer to determine return to work options.
- Provide every budget office with cost data and breakdown of current charge back.
- Provide every budget office with cost data for current year to use for budgeting future years.
- Develop schedule and take supervisors course on the road to the bureaus.



Initiatives Slide 2 of 2

- CCSI will ask for position description and have supervisor complete front page of CA-17. CCSI forwards to doctor to identify limitations on return to work.
- Visit Capital Office of Workers Compensation Program region each week to review files of claimants for information we can't get.
- Compare database of claimants with Social Security Administration death rolls to identify claimants who have died.
- Identify district offices with high pay off for visit, identify list of claimants we need information on and visit district office.



Program Successes Slide 1 of 2

- Reporting timeliness has improved. The Department target: improve CA-1/CA-2 timeliness by 5 percent each year. The target of 35.7% was exceeded in FY2004 with a rate of 40.0%. The target of 39.8% has been exceeded for FY2005 with a first quarter rate of 53.8%
- CCSI achieved a first year compensation savings of \$217,000 with their work under the basic contract.
- CCSI also achieved a cost avoidance savings of \$9,479,000 with their work on the under basic contract.
- A long term claimant from NIST died and Office of Inspector General notified us and steps have been taken to remove him from the rolls.



Program Successes Slide 2 of 2

- Identified cost breakdown by office for the Office of the Secretary.
- Developed a charge back database.
- An amendment was added to the contract with CCSI to add 74 long term claims to the contract.
- CCSI has successfully removed 9 of the 74 claimants from the FECA rolls.
- Eight of the 9 claimants were removed by aggressive case management by CCSI.
- CCSI achieved a first year compensation savings of \$190,000 for those claims.
- CCSI achieved a cost avoidance savings of \$5,307,000 for those claims.



Open Discussion

Fred Fanning



Closing Comments

Otto Wolff
Designated Agency Safety and
Health Official



Questions or Comments?